

AGENDA



Thursday, September 27, 2007

**Neighborhood Housing and Community Development
RECOMMENDATION FOR COUNCIL ACTION****Item No. 20**

Subject: Authorize the negotiation and execution of a one-year service agreement with the Austin Housing Finance Corporation (AHFC) in an amount not to exceed \$10,204,192 for use by the Corporation to fund, manage and operate various City housing programs in Fiscal Year 2007-2008.

Amount and Source of Funding: The sources to fund the annual AHFC service agreement include: \$617,253 from the Operating Budget of the Neighborhood Housing and Community Development Department; \$1,043,00 from the City's Housing Trust Fund; \$261,156 from the City's University Neighborhood-Overlay (UNO) Housing Trust Fund; \$44,000 from the City's S.M.A.R.T. Housing Capital Improvement Project (CIP) Fund; \$3,803,080 from the City's U. S. Department of Housing and Urban Development (HUD) HOME Program; \$2,531,536 from the City's HUD Community Development Block Grant; \$101,815 from the City's HUD American Dream Down Payment Grant; \$236,507 generated from Community Development Block Grant Program Income; \$1,565,845 generated from HOME Program Income.

Fiscal Note: A fiscal note is attached.

For More Information: Paul Hilgers, Director, Neighborhood Housing and Community Development, 974-3108

By this action the City Council authorizes the negotiation and execution of a one-year service agreement with the Austin Housing Finance Corporation (AHFC) in an amount not to exceed \$10,204,192 to manage and operate various City housing programs in fiscal year 2007-2008, including Tenant Based Rental Assistance, Rental Housing Development Assistance, Architectural Barrier Removal-Rental, Home buyer Lending Assistance, Acquisition and Development, Architectural Barrier Removal-Homeowner, Emergency Home Repair, Homeowner Moderate Rehabilitation, and Material Grants.

The Austin City Council created the AHFC in 1979 as a public non-profit corporation to facilitate the financing and development of affordable housing for low- and moderate-income residents. As an instrumentality of the City, the AHFC administers affordable housing programs using City grants, federal grant funds from the U.S. Department of Housing and Urban Development, the City's Housing Trust Fund, funds generated by the Corporation, and an annual appropriation for the AHFC's Housing Assistance Fund (See Exhibit A for Fiscal Year 2007-2008 budgeted funds). AHFC offices are located in the City's Neighborhood Housing and Community Development Office and its employees are City employees.